



Andrew M. Chaban
Chief Executive Officer

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August 3, 1999

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th St. SW - TW - A325
Washington, D.C. 20554

RE: Promotion of Competitive Networks in Local Telecommunications
Markets, WT Docket No. 99-217/Implementation of the Local
Competition Provisions in the Telecommunications Act of 1996, CC
Docket No. 96-98

Dear Ms. Salas:

I am writing in response to the FCC's Notice of Proposed Rulemaking released on July 7, 1999, regarding forced access to buildings. I have enclosed six (6) copies of this letter, in addition to the original.

I believe that, if enacted, the actions proposed by the FCC will effect a taking of my property without just compensation. Such actions will not only interfere with my business operations and give my property to large and wealthy telecommunications firms, such actions will unnecessarily and unfairly hurt my business, place the residents at a competitive disadvantage for the purchase of telecommunications services, and needlessly raise additional legal problems as a result of this unprecedented government action.

My company, Princeton Properties, is in the business of providing rental multifamily homes in MA, NH, ME and FL. We own 4,000 + apartment homes as well as extended-stay hotel suite properties.

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Issues Raised by FCC Notice

I am concerned about and disappointed by the proposed rule. It seeks to give a permanent easement to any telecommunications provider that has an interest in selling services to our residents without my consent. It purports to do this in the name of consumer protection, hoping to provide less expensive services to residents through a system you have called "non-discriminatory access". I believe this practice is misguided, is unnecessary, and will harm the residents in my properties.

First, let me assure you that my company is doing everything it can to meet our residents' needs and demands for access to a wide range of telecommunications services. Ours is an extremely competitive industry. We compete with other multifamily properties in every community in which our properties are located. In addition to competing on unit size, location and lay-out, one of the primary areas of competition is the set of amenities we can provide to our residents. One of the most important of these is telecommunications services.

In each of my properties, in each market in which we are located, my company studies the market, analyzes the best package of telecommunications services available, determines what our residents want and negotiates vigorously with providers of these services. If occupants with month-to-month or one year tenancies are forced to negotiate directly with national or international telecommunications firms, they will be at a decided disadvantage. My company has the negotiating strength afforded one who represents thousands, of apartment dwellers. No individual can strike as good a deal as we can in this collective manner.

Furthermore, once a telecommunications firm has entered and wired one of our buildings, other providers may be less interested in incurring the cost to compete. Thus, it is likely that one or more of the large firms will obtain an effective monopoly on providing services to our residents at what will be far from an arms-length, negotiated rate. We have all seen what has happened to cable TV rates where cable TV companies have acquired monopolies in communities across the country. Is it necessary to create such a system when we already have the incentive to negotiate for, and provide the most effective, extensive and competitive set of services in our competitive business?

I must note that the proposed rule raises the following additional concerns: it would expand the scope of existing easements; in some instances it will interfere with existing exclusive contracts.

Nondiscriminatory Access

- Building owners must have control over space occupied by telecommunications providers, especially when there are multiple providers involved. This is to protect the tenants and to protect the integrity of the building itself as well as its appearance.
- Building owners must have control over who enters their buildings: owners face liability for damage to building, leased premises, and facilities of other providers; and for personal injury to tenants and visitors. Owners are also liable for safety code violations. Qualifications and reliability of providers are a real issue.
- What does "nondiscriminatory" mean? Deal terms vary because each deal is different. A new company without a track record poses greater risks than an established one, for example, so indemnity, insurance, security deposit, remedies and other terms may differ. Value of space and other terms also depends on many factors.

Scope of Easements

- If owners had known governments would allow other companies to piggy-back, they would have negotiated different terms. Expanding rights now would be a taking of private property.

In summary, I am very much opposed to the proposed rule and urge the FCC to refrain from issuing it in final form. Thank you for your consideration of my views.

Sincerely,

PRINCETON PROPERTIES MANAGEMENT, INC.

BY: 
Andrew M. Chaban, Chief Executive Officer

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